

**§ 151.43**

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connection with accomplishing a project, and that would not have otherwise been incurred.

(b) The costs described in paragraph (a) of this section, including the value of land, labor, materials, and equipment donated or loaned to the sponsor and appropriated to the project by the sponsor, are eligible for consideration as to their allowability, except for—

(1) That part of the cost of rehabilitation or repair for which funds have been appropriated under section 17 of the Federal Airport Act (49 U.S.C. 1116);

(2) That part of the cost of acquiring an existing private airport that represents the cost of acquiring passenger automobile parking facilities, buildings to be used as hangars, living quarters, or for nonairport purposes, at the airport, and those buildings or parts of buildings the construction of which is not airport development within the meaning of § 151.35(a);

(3) The cost of materials and supplies owned by the sponsor or furnished from a source of supply owned by the sponsor if—

(i) Those materials and supplies were used for airport development before the grant agreement was executed; or

(ii) The cost is not supported by proper evidence of quantity and value;

(4) The cost of nonexpendable machinery, tools, or equipment owned by the sponsor and used under a project by the sponsors force account, except to the extent of the fair rental value of that machinery, tools, or equipment for the period it is used on the project;

(5) The costs of general area, urban, or statewide planning of airports, as distinguished from planning a specific project;

(6) The value of any land, including improvements, donated to the sponsor by another public agency; and

(7) Any costs incurred in connection with raising funds by the sponsor, including interest and premium charges and administrative expenses involved in conducting bond elections and in the sale of bonds.

(c) To be an allowable project cost, for the purposes of computing the amount of a grant, an item that is paid or incurred must, in the opinion of the Administrator—

(1) Have been necessary to accomplish airport development in conformity with the approved plans and specifications for an approved project and with the terms of the grant agreement for the project;

(2) Be reasonable in amount (or be subject to partial disallowance under section 13(a)(3) of the Federal Airport Act (49 U.S.C. 1112(a)(3)));

(3) Have been incurred after the date the grant agreement was executed, except that costs of land acquisition, field surveys, planning, preparing plans and specifications, and administrative and incidental costs, may be allowed even though they were incurred before that date, if they were incurred after May 13, 1946; and

(4) Be supported by satisfactory evidence.

[Doc. No. 1329, 27 FR 12351, Dec. 13, 1962, as amended by Amdt. 151-8, 30 FR 8040, June 23, 1965; Amdt. 151-14, 31 FR 11747, Sept. 8, 1966]

**§ 151.43 United States share of project costs.**

(a) The United States share of the allowable costs of a project is stated in the grant agreement for the project, to be paid from appropriations made under the Federal Airport Act.

(b) Except as provided in paragraphs (c) and (d) of this section and in subpart C of this part, the United States share of the costs of an approved project for airport development (regardless of its size or location) is 50 percent of the allowable costs of the project.

(c) The U.S. share of the costs of an approved project for airport development in a State in which the unappropriated and unreserved public lands and nontaxable Indian lands (individual and tribal) is more than 5 percent of its total land, is the percentage set forth in the following table:

State	Percent
Alaska .....	62.50
Arizona .....	60.80
California .....	53.72
Colorado .....	52.98
Idaho .....	55.80
Montana .....	52.99
Nevada .....	62.50
New Mexico .....	56.14
Oregon .....	55.64
South Dakota .....	52.53
Utah .....	60.65
Washington .....	51.53

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State	Percent
Wyoming .....	56.33

(d) The United States share of the costs of an approved project, representing the costs of any of the following, is 75 percent:

(1) The costs of installing high intensity runway edge lighting on a designated instrument landing runway or other runway with an approved straight-in approach procedure.

(2) The costs of installing in-runway lighting (touchdown zone lighting system, and centerline lighting system).

(3) The costs of installing runway distance markers.

(4) The costs of acquiring land, or a suitable property interest in land or in or over water, needed for installing operating, and maintaining an ALS (as described in § 151.13).

(5) The costs of any project in the Virgin Islands.

[Doc. No. 1329, 27 FR 12351, Dec. 13, 1962 as amended by Amdt. 151-17, 31 FR 16524, Dec. 28, 1966; Amdt. 151-20, 32 FR 17471; Dec. 6, 1967; Amdt. 151-35, 34 FR 13699, Aug. 27, 1969; Amdt. 151-36, 34 FR 19501 Dec. 10, 1969]

### § 151.45 Performance of construction work: General requirements.

(a) All construction work under a project must be performed under contract, except in a case where the Administrator determines that the project, or a part of it, can be more effectively and economically accomplished on a force account basis by the sponsor or by another public agency acting for or as agent of the sponsor.

(b) Each contract under a project must meet the requirements of local law.

(c) No sponsor may issue any change order under any of its construction contracts or enter into a supplemental agreement unless three copies of that order or agreement have been sent to and approved by the Area Manager. §§ 151.47 and 151.49 apply to supplemental agreements as well as to original contracts.

(d) This section and §§ 151.47 through 151.49 do not apply to contracts with the owners of airport hazards, (as described in § 151.39(b)), buildings, pipe lines, power lines, or other structures or facilities, for installing, extending,

changing, removing, or relocating that structure or facility. However, the sponsor must obtain the approval of the Area Manager before entering into such a contract.

(e) No sponsor may allow a contractor or subcontractor to begin work under a project until—

(1) The sponsor has furnished three conformed copies of the contract to the Area Manager; and

(2) The Area Manager agrees to the issuance of a notice to proceed with the work to the contractor. However, the Area Manager does not agree to the issuance of such a notice unless he is satisfied that adequate replacement housing is available and has been offered to affected persons, as required for project eligibility by § 151.39(a)(5).

(f) Except when the Area Manager determines that the sponsor has previously demonstrated satisfactory engineering and construction supervision and inspection, no sponsor may allow a contractor or subcontractor to begin work, nor may the sponsor begin force account work, until the sponsor has notified the Area Manager in writing that engineering and construction supervision and inspection have been arranged to insure that construction will conform to FAA approved plans and specifications, and that the sponsor has caused a review to be made of the qualifications of personnel who will be performing such supervision and inspection and is satisfied that they are qualified to do so.

[Doc. No. 1329, 27 FR 12351, Dec. 13, 1962, as amended by Amdt. 151-31, 34 FR 4885, Mar. 6, 1969; Amdt. 151-39, 35 FR 5537, Apr. 3, 1970]

### § 151.47 Performance of construction work: Letting of contracts.

(a) *Advertising required; exceptions.* Unless the Administrator approves another method for use on a particular airport development project, each contract for construction work on a project in the amount of more than \$2,000 must be awarded on the basis of public advertising and open competitive bidding under the local law applicable to the letting of public contracts. Any oral or written agreement or understanding between a sponsor and another public agency that is not a sponsor of the project, under which that